

Message Text

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PAGE 01 CARACA 05224 201526Z

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TAGS: ELAB PFOR ECON VE

SUBJ: IRON MINERS STRIKE SPITTERS

REF: CARACAS 5156

SUMMARY: WHILE MANY IRON MINERS IN CIUDAD GUAYANA CONTINUE THEIR WILDCAT STRIKE, THE WORK STOPPAGE HAS FAILED TO BECOME AS GENERAL AS THE JANUARY STRIKE. A MAY 16 PRESIDENTIAL DECREE ISSUED BY THE CABINET HAS FURTHER CONFUSED THE ISSUE OF IMMEDIATE PAYMENT OF SENIORITY AND SEPARATION PAY ACCUMULATED PRIOR TO THE JANUARY 1, 1975 NATIONALIZATION OF THE MINES. THE SITUATION IS TURBULENT AND CONFUSED AS OF MAY 19 AS SOME OPPOSITION POLITICAL GROUPS TRY TO TAKE ADVANTAGE OF THE STRIKE. END SUMMARY

1. THE IRON MINERS' WILDCAT STRIKE AT THE GOV-OWNED ORINOCO MINING COMPANY AND IRON MINES COMPANY SPATTERED ALONG MAY 17-19 SUBSTANTIALLY LESS EFFECTIVELY THAN THE WORK STOPPAGE LAST JANUARY (CARACAS 941). THE CERRO BOLIVAR MINE OF THE ORINOCO MINING COMPANY, WHERE THE STRIKE BEGAN MAY 14, REPORTEDLY REMAINS CLOSED. A LARGE PERCENTAGE OF THE WORK FORCE AT OTHER ORINOCO MINING COMPANY FACILITIES (VARIOUSLY REPORTED AT BETWEEN 50 AND 80 PERCENT) IS ALSO FAILING TO REPORT FOR WORK. A MUCH SMALLER PERCENTAGE OF THE IRON MINES COMPANY WORKERS HAVE STRUCK, AND

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PAGE 02 CARACA 05224 201526Z

SOME WHO FAILED TO REPORT TO WORK ON THURSDAY OR FRIDAY WORKED

THEIR WEEKEND SHIFTS.

2. THE WILDCAT STRIKE CONTINUES TO BE A SPONTANEOUS RANK-AND-FILE MOVEMENT ALTHOUGH CERTAIN OPPOSITION POLITICAL GROUPS, PARTICULARLY THE MOVIMIENTO SOCIALISMO (MAS), ARE TRYING TO TAKE ADVANTAGE OF THE TURBULENT SITUATION. MAS LEADER TEODORO PETKOFF HAS GONE SO FAR AS TO CLAIM THAT CERTAIN MULTI-NATIONALS, SPECIFICALLY US STEEL, ARE PROVOKING THE STRIKE TO PROVE THAT NATIONALIZATION DOES NOT WORK. NO OTHER GROUP TO DATE HAS MADE THIS ALLEGATION, AND THE STRIKE IS GENERALLY VIEWED AS WHAT IT REALLY IS, A CONFLICT BETWEEN STATE EMPLOYEES AND THEIR GOVT WITH NO FOREIGN INVOLVEMENT OF ANY SORT.

3. THE VENEZUELAN CABINET MAY 16 ISSUED A DECREE UNDER THE PRESIDENT'S SPECIAL ECONOMIC POWERS PROVIDING THAT WORKERS' SENIORITY AND SEPARATION PAY BE DEPOSITED IN TRUST FUNDS AT THE CENTRAL BANK WITH THE WORKERS TO HAVE IMMEDIATE ACCESS TO ONE HALF OF THE AMOUNT DEPOSITED. THE DECREE ITSELF IMMEDIATELY BECAME CONTROVERSIAL SINCE IT IS UNCLEAR WHETHER THE AMOUNT REFERRED TO IS THE 30 DAYS PAY PER YEAR WORKED AS PROVIDED BY LAW OR THE 60 DAYS PAY PER YEAR WORKED AS SPECIFIED UNDER CERTAIN CIRCUMSTANCES BY THE MINERS' CONTRACT.

COMMENT: WHILE THE STRIKE CONTINUES TO PRESENT A CHALLENGE TO THE GOV AND THE ADMINISTRATION OF PRESIDENT CARLOS ANDRES PEREZ, IT HAS YET TO REACH THE CRISIS STAGE OF THE JANUARY STRIKE. THE CURRENT SITUATION MAY BEST BE CHARACTERIZED AS CONFUSED AND TURBULENT, WITH NONE OF THE PARTIES CONCERNED SEEMING TO HAVE A CLEAR IDEA OF WHAT SHOULD BE THE NEXT STEP.
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